



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Issued by the Department of Transportation  
on the 30<sup>th</sup> day of September, 2003

Applications of

**AERODYNAMICS INCORPORATED**

for certificates of public convenience and necessity under 49  
U.S.C. 41102 to engage in interstate and foreign charter air  
transportation of persons, property, and mail

**Served: October 1, 2003**

**Dockets OST-01-10985  
OST-01-10986**

**ORDER ISSUING EFFECTIVE CERTIFICATES  
AND CONFIRMING ORAL ACTION**

**Summary**

By this order, we (1) confirm our oral action of July 2, 2003, making the interstate and foreign charter passenger authority issued to Aerodynamics Incorporated (ADI) effective on that date, and (2) reissue to the carrier its certificates of public convenience and necessity authorizing it to engage in interstate and foreign charter air transportation of persons, property, and mail to reflect its effective date. We also confirm our oral action of June 13, 2003, granting ADI's application for a waiver of 14 CFR section 204.7.<sup>1</sup>

**Background**

By Order 2002-6-12, issued June 18, 2002, the Department found ADI fit to engage in interstate and foreign charter passenger air transportation and issued the company a certificate authorizing it to engage in interstate operations. By Order 2002-11-6, we issued a companion certificate to ADI authorizing it to engage in foreign charter air transportation. However, the authority to operate under these certificates was not to become effective until six (business) days after the Department had received (1) a copy of ADI's Air Carrier Certificate and Operations Specifications issued by the Federal Aviation Administration authorizing such operations, (2) a certificate of insurance evidencing liability insurance coverage meeting the requirements of section 205.5(b) of our rules, (3) updated fitness information describing any changes ADI may

---

<sup>1</sup> Section 204.7 of the Department's Regulations provides, among other things, that the certificate authority granted to a carrier shall be revoked if the carrier does not commence actual flying operations under that authority within one year of the date of the Department's determination of its fitness. In ADI's case, the one-year revocation date would have been June 18, 2003.

have undergone subsequent to the issuance of the show-cause order in this proceeding,<sup>2</sup> and (4) evidence that ADI continued to have sufficient funding to meet our financial fitness criteria.

On July 1, 2003, ADI submitted a copy of its Air Carrier Certificate and Operations Specifications from the FAA that authorized interstate and foreign charter passenger operations. The carrier also provided financial and other updated fitness information and a copy of OST Form 6410 evidencing its liability insurance coverage. ADI also filed a waiver requesting that we make its authority effective prior to the expiration of the six-day period.

### **FITNESS UPDATE**

ADI states that there have been minor changes in its ownership. ADI's Chairman and Chief Executive Officer, Frank Macartney, now holds a 69 percent ownership interest in the company (down from 75.76 percent) and ADI's President, Cheryl Minshall, holds a 10 percent interest (up from 8.085 percent). There are five other owners, all of whom own 5 percent or less. All shareholders are U.S. citizens.

The only change in ADI's key personnel is that Thomas Jones, Director of Operations, is no longer with the company. Mr. Jones' responsibilities have been transferred to Robert Rufli, ADI's Executive Director of Flight Operations. In turn, Mr. Rufli's responsibilities for oversight of the Director of Maintenance and Chief Inspector for its Part 121 operations have been reassigned to Robert LeMay, ADI's Vice President, General Manager, and Part 135 Director of Maintenance.

ADI's operating plans remain as described in its application except that ADI's large aircraft will consist of an F-28 rather than a B-737. Although the F-28 is configured for 48 seats and the B-737 would have been configured for 44 seats, ADI states that the F-28 is somewhat smaller than a B-737 and less costly to acquire and operate.

ADI submitted updated financial information which indicates that the carrier continues to have access to sufficient funds to meet the Department's financial fitness test. ADI states that there has been little change in its overall financial posture. The company's current assets increased 11.9 percent from December 31, 2001, to April 30, 2003, while its current liabilities increased 3.6 percent during that period. ADI has a current ratio of 1.2 to 1 as of April 30, 2003. ADI states that, unlike most certificate applicants, it is a well-established Part 135/298 carrier with a stream of revenue from its on-demand charter, FBO, aircraft maintenance and other lines of business. While ADI states that it is capable of financing its F-28 operation from internally-generated funds, it will have the option of utilizing an outside source if it chooses. Our review of the availability of these resources indicates that ADI's working capital as of April 30, 2003, and a Comerica Bank line-of-credit is more than sufficient to meet the Department's financial fitness test.

Based on the above, we determined that ADI continued to be fit to provide interstate and foreign charter passenger operations. Therefore, on July 2, we notified ADI that we were making its

---

<sup>2</sup> See Order 2002-5-14 served May 15, 2002.

section 41102 interstate and foreign certificates effective on that same date. By this order, we confirm our oral action making ADI's authority effective and reissue to the carrier certificates to reflect their July 2, 2003, effective date.

**ACCORDINGLY**, Acting under authority assigned by the Department in its Regulations, 14 CFR 385.12:

1. We confirm our oral action of July 2, 2003, making the section 41102 certificate authority issued to Aerodynamics Incorporated to engage in interstate and foreign charter air transportation of persons, property and mail, effective on that same date.
2. We reissue to Aerodynamics Incorporated the interstate and foreign section 41102 certificates issued to it by Orders 2002-6-12 and 2002-11-6 in the attached form to reflect their effective date.
3. We confirm our oral action of June 13, 2003, granting Aerodynamics Incorporated's request for a waiver of the revocation-for-dormancy date of 14 CFR section 204.7.
4. Should Aerodynamics Incorporated propose to operate more than one large aircraft,<sup>3</sup> we direct it to notify the Department in writing at least 45 days prior to the proposed operation and demonstrate its fitness to conduct such operations before their commencement.
5. We direct Aerodynamics Incorporated to submit to the Air Carrier Fitness Division a first year progress report within 45 days following the end of its first year of certificated operations.<sup>4</sup>
6. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.30, may file their petitions within 10 days of the service date of this order.

---

<sup>3</sup> We will not limit ADI's ability to add small aircraft which it could operate as an air taxi under Part 298 of our rules. However, the addition of any aircraft considered to be large aircraft under Part 298 (i.e., aircraft originally designed to carry more than 60 passengers or 18,000 pounds payload) will require our prior approval.

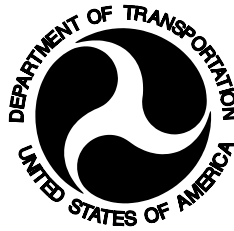
<sup>4</sup> The report should include a description of the carrier's current operations (number and type of aircraft, principal markets served, total number of full-time and part-time employees), a summary of how these operations have changed during the year, a discussion of any changes it anticipates from its current operations during its second year, a balance sheet as of the end of the company's first full year of actual flight operations and a twelve month income statement ending that same date, and a listing of current senior management and key technical personnel. The carrier should also be prepared to meet with staff members of the Fitness Division to discuss its current and future operations.

The action confirmed in this order was effective when taken and the filing of a petition for review shall not alter its effectiveness.

By:

**RANDALL D. BENNETT**  
Director  
Office of Aviation Analysis

An electronic version of this document is available on the World Wide Web at  
<http://dms.dot.gov>



**Certificate of Public Convenience and  
Necessity  
for  
Interstate Charter Air Transportation  
(as reissued)**

**This Certifies That**

**AERODYNAMICS INCORPORATED**

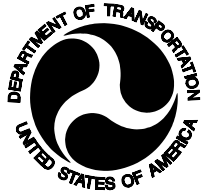
is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in interstate charter air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the  
Secretary

Issued by Order 2003-9-29  
On September 30, 2003  
Effective on July 2, 2003  
Analysis

Randall D. Bennett  
Director  
Office of Aviation



Terms, Conditions, and  
Limitations

**AERODYNAMICS INCORPORATED**

is authorized to engage in interstate charter air transportation of persons, property and mail between any point in any State, territory, or possession of the United States or the District of Columbia, and any other point in any of those entities.

This authority is subject to the following provisions:

(1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.

(2) The holder's authority under this certificate is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA), and comply with all U.S. Government requirements concerning security.

(3) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(4) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.

(5) The holder is not authorized to engage in air transportation operations between points within the State of Alaska.

(6) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(1)), it must first comply with the requirements of 14 CFR 204.5.

(7) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under all certificates held shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

---

\*This certificate is being reissued to reflect its effective date.



**Certificate of Public Convenience and  
Necessity  
for  
Foreign Charter Air Transportation  
(as reissued)**

**This Certifies That**

**AERODYNAMICS INCORPORATED**

is authorized, subject to the provisions of Subtitle VII of Title 49 of the United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign charter air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the  
Secretary

Issued by Order 2003-9-29  
On September 30, 2003  
Effective on July 2, 2003  
Analysis

Randall D. Bennett  
Director  
Office of Aviation





Attachment

\*As reissued by Order 2003-9-29



Terms, Conditions, and  
Limitations

**AERODYNAMICS INCORPORATED**

is authorized to engage in foreign charter air transportation of persons, property, and mail:

Between any place in the United States and any place outside thereof.

This authority is subject to the following provisions:

(1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.

(2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.

(3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.

(4) The holder's authority under this certificate is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA), and comply with all U.S. Government requirements concerning security.\*\*

---

\* This certificate is being reissued to reflect its effective date..

\*\*To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service

(5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.

(7) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(1)), it must first comply with the requirements of 14 CFR 204.5.

(8) In the event that the holder commences but subsequently ceases all operations for which it was found "fit, willing, and able," its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

---

(including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served.

**SERVICE LIST FOR AERODYNAMICS**

MR ROBERT J RUFLI  
EXECUTIVE DIRECTOR OF  
FLIGHT OPERATIONS  
AERODYNAMICS INC  
6544 HIGHLAND ROAD  
WATERFORD MI 48327 0100

MR AARON GOERLICH  
MS KATHERINE ALDRICH  
GAROFALO GOERLICH &  
HAINBACH PC  
COUNSEL FOR AERODYNAMICS  
INC  
1200 NEWHAMPSHIRE AVE NW  
WASHINGTON DC 20036 6802

MR. RICHARD DUTTON  
ASST MANAGER CSET  
FAA AFS-900 SUITE 203B  
45005 AVIATION DRIVE  
DULLES VA 20166-7537

MR ROBERT DORN  
CERTIFICATION PROJECT  
MANAGER FSDO  
8800 BECK ROAD  
BELLEVILLE MICHIGAN 48111

MANAGER AGL 200  
FLIGHT STANDARDS DIVISION  
GREAT LAKES REGION HDQS  
2300 EAST DEVON AVE  
DES PLAINES IL

REGIONAL COUNSEL  
FAA AGL 7  
GREAT LAKES RE REGION HDQS  
2300 EAST DEVON AVE  
DES PLAINES IL

MR PETER LYNCH  
ASST CHIEF COUNSEL FOR  
ENFORCEMENT AGC-300  
FEDERAL AVIATIONADMIN  
800 INDEPENDENCE AVE SW  
WASHINGTON DC 20591

MR DON BRIGHT K-25  
DIRECTOR OAI  
400 7TH STREET SW  
WASHINGTON DC 20590